

Control Number: 48711



Item Number: 2

Addendum StartPage: 0

# OPEN MEETING COVER SHEET

2018 OCT 29 PM 4: 06

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**MEETING DATE:** November 8, 2018

**DATE DELIVERED:** November 8, 2018

**AGENDA ITEM NO.:** 20

**CAPTION:** Project No. 48711 — 2018 Summary of Customer Complaints and Enforcement Activities

**ACTION REQUESTED:** Discussion and possible action with respect to Proposal for Adoption

Distribution List:  
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Tietjen, Darryl (2)  
Long, Mick (2)  
Benter, Tammy (4)  
Gonzales, Adriana (if rulemaking)

# *Public Utility Commission*

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## **Memorandum**

To: Chairman DeAnn T. Walker  
Commissioner Arthur C. D'Andrea  
Commissioner Shelly Botkin

From: Mick Long – Director, Oversight and Enforcement Division *ML*  
Chris Burch – Director, Customer Protection Division *CB*

Date: November 8, 2018

Re: November 8, 2018 Open Meeting – Project No. 48711 – *2018 Summary of Customer Complaints and Enforcement Activities*

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### **BACKGROUND**

Attached is summary information on enforcement actions and customer complaint data for fiscal year 2018. We intend to present this information for your review at the November 8, 2018 Open Meeting.

As part of its 2010 report on the PUC, the Sunset Advisory Commission adopted a management action recommending that the Commission publish, on a regular basis, more complaint and enforcement data on its website. The Sunset Advisory Commission recommended that the public be given an opportunity to comment on this information.

Staff has requested that any interested person who wants to comment on this information file written comments. Staff also posted the attached information on the PUC Announcements section of the Commission's homepage along with the same notice and request for comments to be filed in Project No. 48711. Staff will consider comments filed regarding this project as it prepares to publish the 2018 Summary of Customer Complaint and Enforcement Activities.

The 2018 Summary has taken into consideration comments suggested by the public on last year's 2017 Summary of Customer Complaints and Enforcement Activities, which is filed in Project 47676. Staff has made color copies of the 2018 Summary available on the Commission's website. The color version is accessible from the PUC Announcements section of the homepage and by downloading the native file from the filings interchange. Staff also included a notation on the two graphs regarding refunds that the reported refunds and credits includes refunds, credits & courtesy, goodwill and out of service credits.

Based on the comments received in 2017, Staff seeks to clarify two issues regarding the categorization of complaints and the difference between informal and formal complaints. The Retail Electric Providers' (REP) comments asserted that the categories shown on the proposed chart are those assigned upon the customer's initial contact with the Commission rather than upon resolution of the complaint. While many of the complaints are categorized at the time of the initial receipt of the complaint, the complaint may be categorized upon further investigation. The data reflects the category assigned to the complaint when the complaint is closed.

Additionally, in the REPs' comments regarding refunds, the REPs requested that Staff note which refunds in the customer complaints were the result of informal complaints and which were the result of formal complaints. Staff notes that all customer complaints listed and sorted in the report are informal complaints. A formal complaint triggers a contested case and is therefore docketed and processed by the Legal Division. Data concerning formal complaints are not captured in the Enforcement Activities as Enforcement Activities only tracks investigations and contested cases initiated by Staff in the Oversight and Enforcement Division.

Staff declined to adopt the suggestions to report data in a more granular manner because Staff does not maintain the consumer complaint and enforcement data according to the categories identified in the REPs' comments. Pursuant to the Sunset Advisory Commission's recommendation, Staff will continue to publish complaint and enforcement data on an annual basis and to provide the public an opportunity to comment on this data.

## **DISCUSSION OF THE 2018 SUMMARY**

### **Complaints**

As indicated on attached charts, there were a total of 546 telecom complaints and 4,974 electric complaints filed in fiscal year 2018. There were also 1,468 water complaints and 3,433 No-Call complaints filed during this period. Because No-Call complaints are processed differently than other types of complaints, these complaints are tracked separately.

The attached charts include a breakout of complaints by type, as well as information on the percentage of total complaints in which customers received a refund, and the average amount of the refund provided by month.

### **Enforcement Actions**

In fiscal year 2018, Commission Staff opened 109 investigations and closed 114 investigations. Of those closed investigations, 28 resulted in formal enforcement action (including administrative penalties, revocations, and appointment of temporary managers), one resulted in revocation of a SPCOA, 58 resulted in a finding of a violation but Staff did not recommend an administrative penalty or revocation, and 30 resulted in no finding of a violation. The Commission approved orders imposing a total of \$2,825,400.00 in administrative penalties and \$108,042.27.00 in refunds. Investigations and enforcement actions in fiscal year 2018 involved entities in the wholesale and retail electric sectors, telecom, and water utility industries.

As reflected in the attached charts, the breakdown of docketed cases was 25% electric retail, 32% electric wholesale, 21% electric service quality, 4% telecommunications, and 18% water. The percentage of total penalties assessed in fiscal year 2018 was 70% electric retail, 10% electric wholesale, 20% electric service quality, 0% telecommunications, and 0% water. Of the investigations that were opened in fiscal year 2018, 40% were electric retail, 24% were electric wholesale, 9% were electric service quality, 2% were telecommunications, and 25% were water.



**PROJECT NO. 48711**  
**PUBLIC UTILITY COMMISSION OF TEXAS**  
**PUBLIC NOTICE OF 2018 SUMMARY OF CUSTOMER COMPLAINTS**  
**AND ENFORCEMENT ACTIVITIES**  
**AND REQUEST FOR COMMENTS**

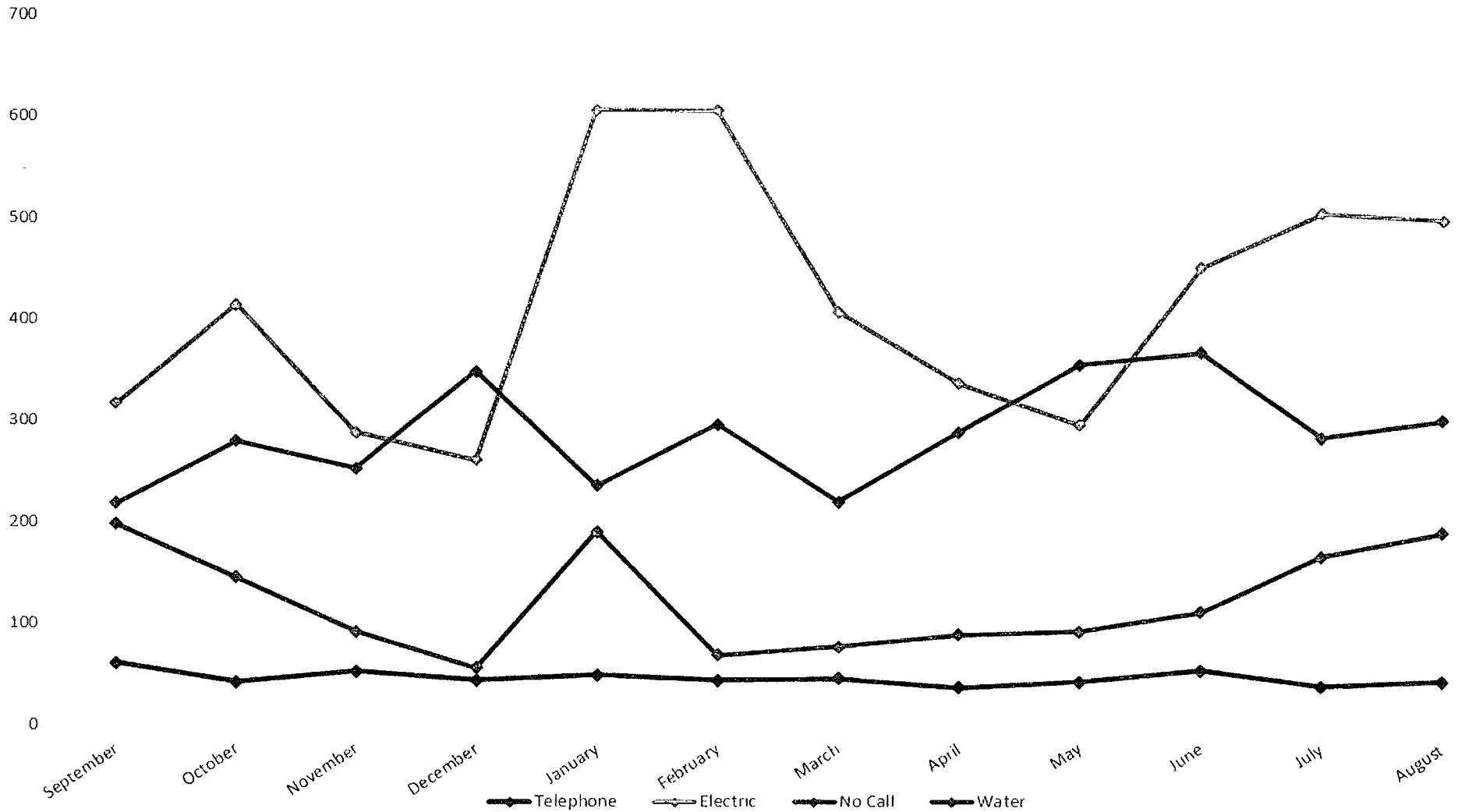
As a part of its 2010 report on the PUC, the Sunset Advisory Commission adopted a management action recommending that the Commission publish, on a regular basis, more complaint and enforcement data on its website. The Sunset Commission also recommended that the public be given an opportunity to comment on this information. Attached is summary information on enforcement actions and customer complaint data for fiscal year 2018. Staff intends to present this information for the Commissioners' review at the November 8, 2018 Open Meeting. Staff is requesting that any interested person who wants to comment on this information to file written comments in Project 48711 on or before Friday, November 2, 2018.

Comments may be filed by submitting 16 copies to the Commission's Filing Clerk, Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326 no later than Friday, November 2, 2018. All comments should reference Project Number 48711.

Questions concerning this notice should be referred to Chris Burch, Director of Customer Protection, (512) 936-7145. Hearing and speech-impaired individuals with text telephones (TTY) may contact the commission by dialing 7-1-1.

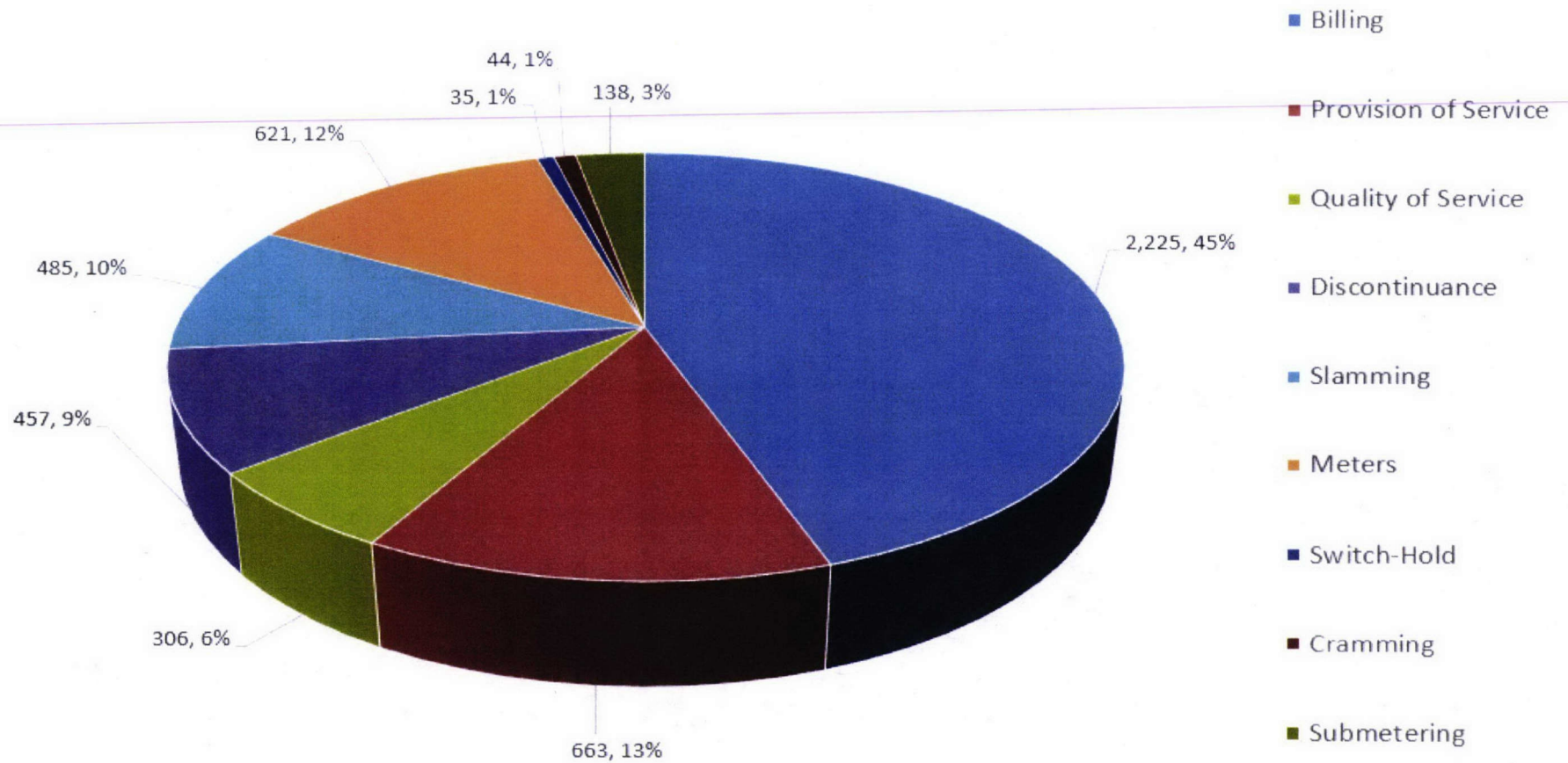
# CUSTOMER PROTECTION DIVISION

## Fiscal Year 2018 Complaints Received



## CUSTOMER PROTECTION DIVISION

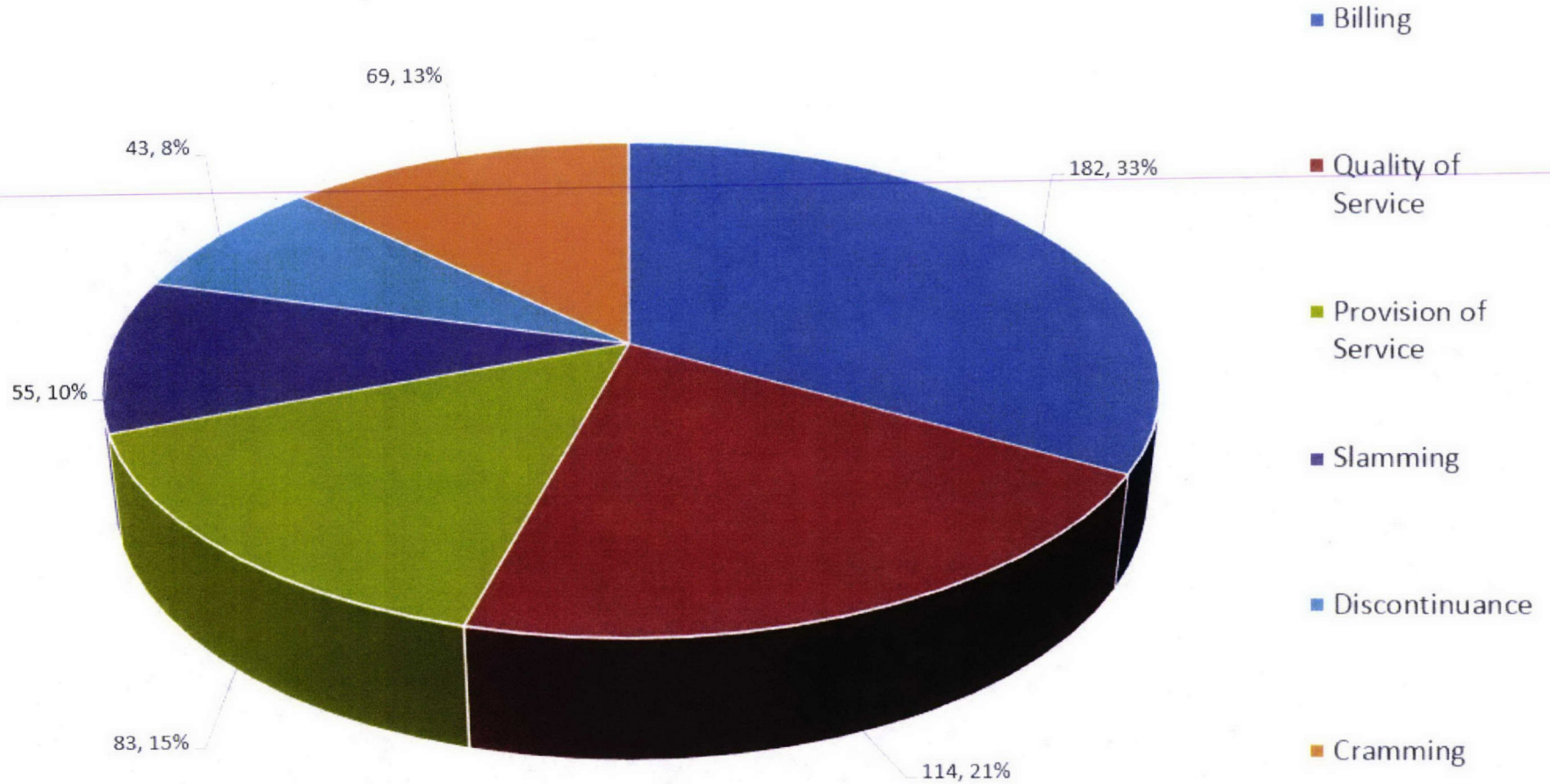
### **Electric Complaint Categories – FY 2018**



Total Electric Complaints:  
4,974

## CUSTOMER PROTECTION DIVISION

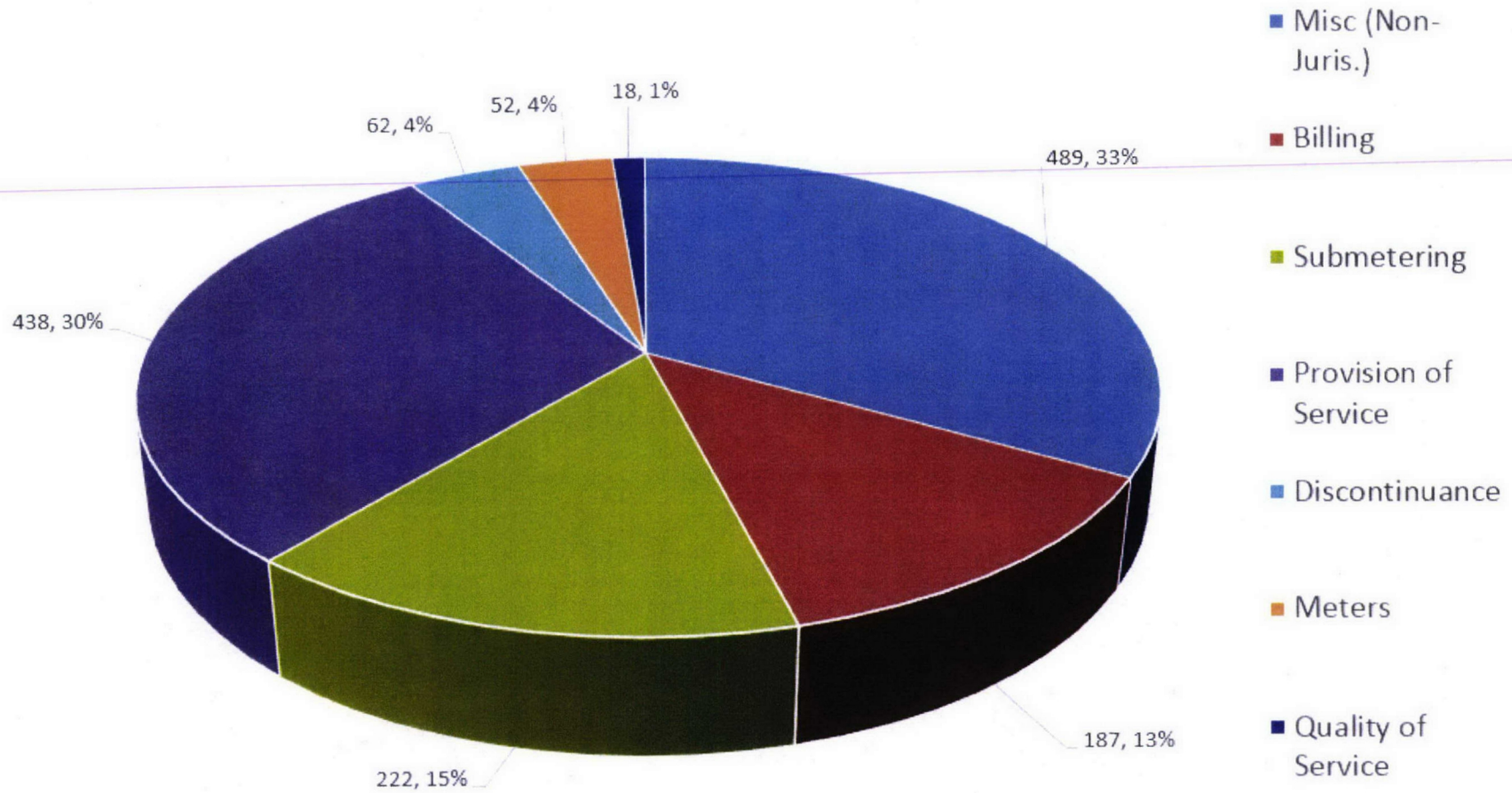
### Telecommunications Complaint Categories – FY 2018



Total Telecommunications  
Complaints:  
546

## CUSTOMER PROTECTION DIVISION

### **Water Complaint Categories – FY 2018**

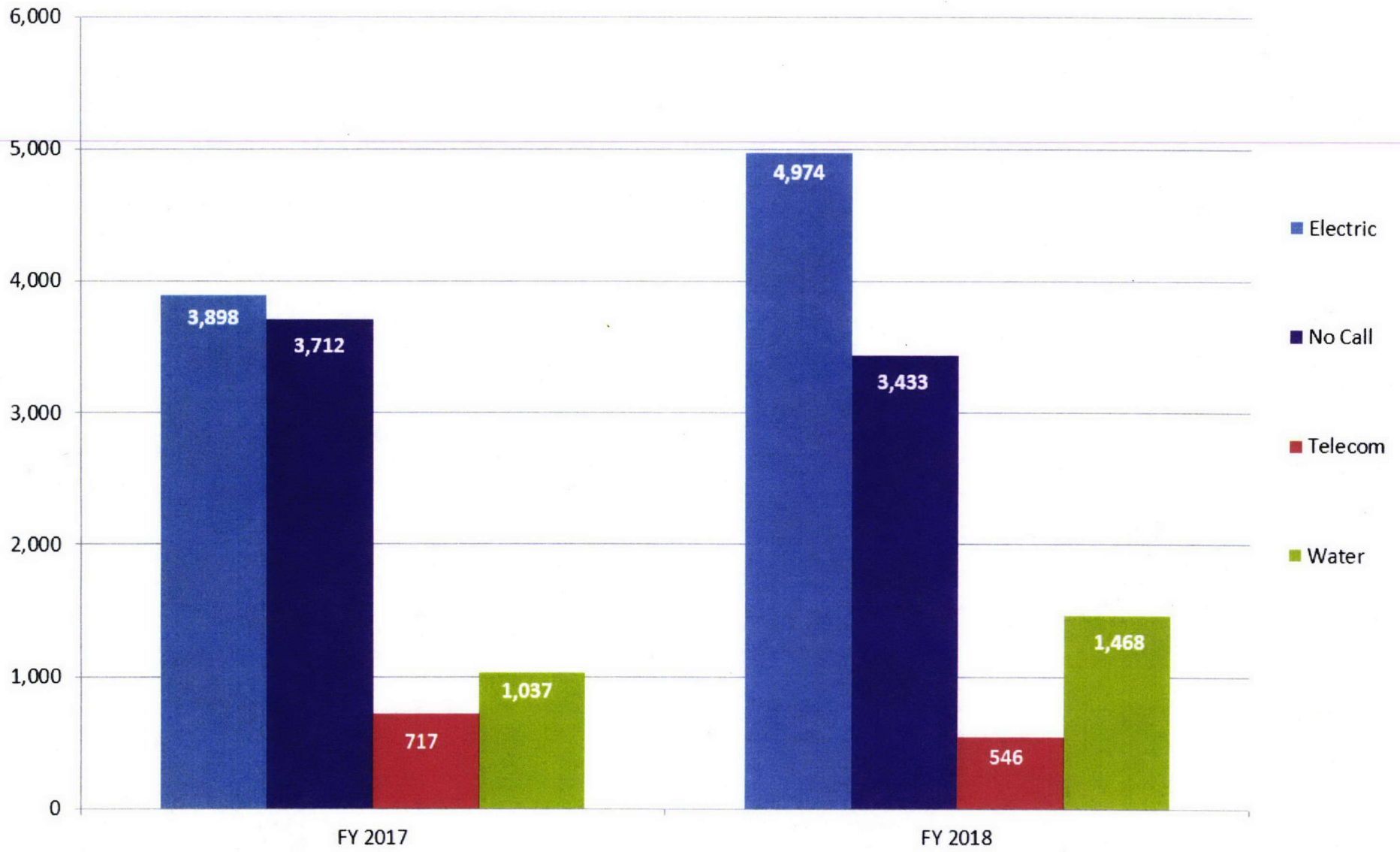


Total Water Complaints:  
1,468



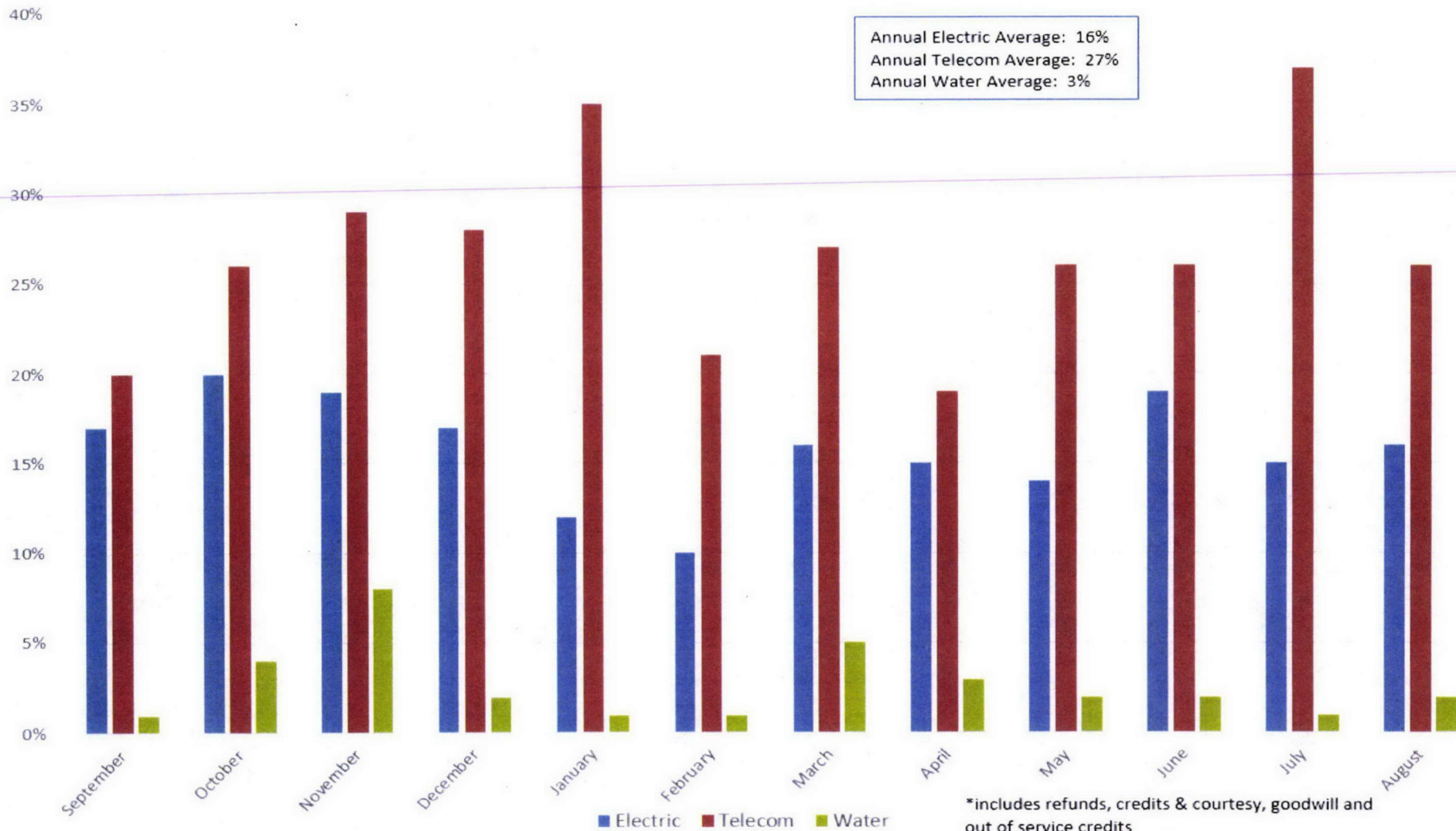
## CUSTOMER PROTECTION DIVISION

### Complaints Received Comparison – FY 2017 and FY 2018



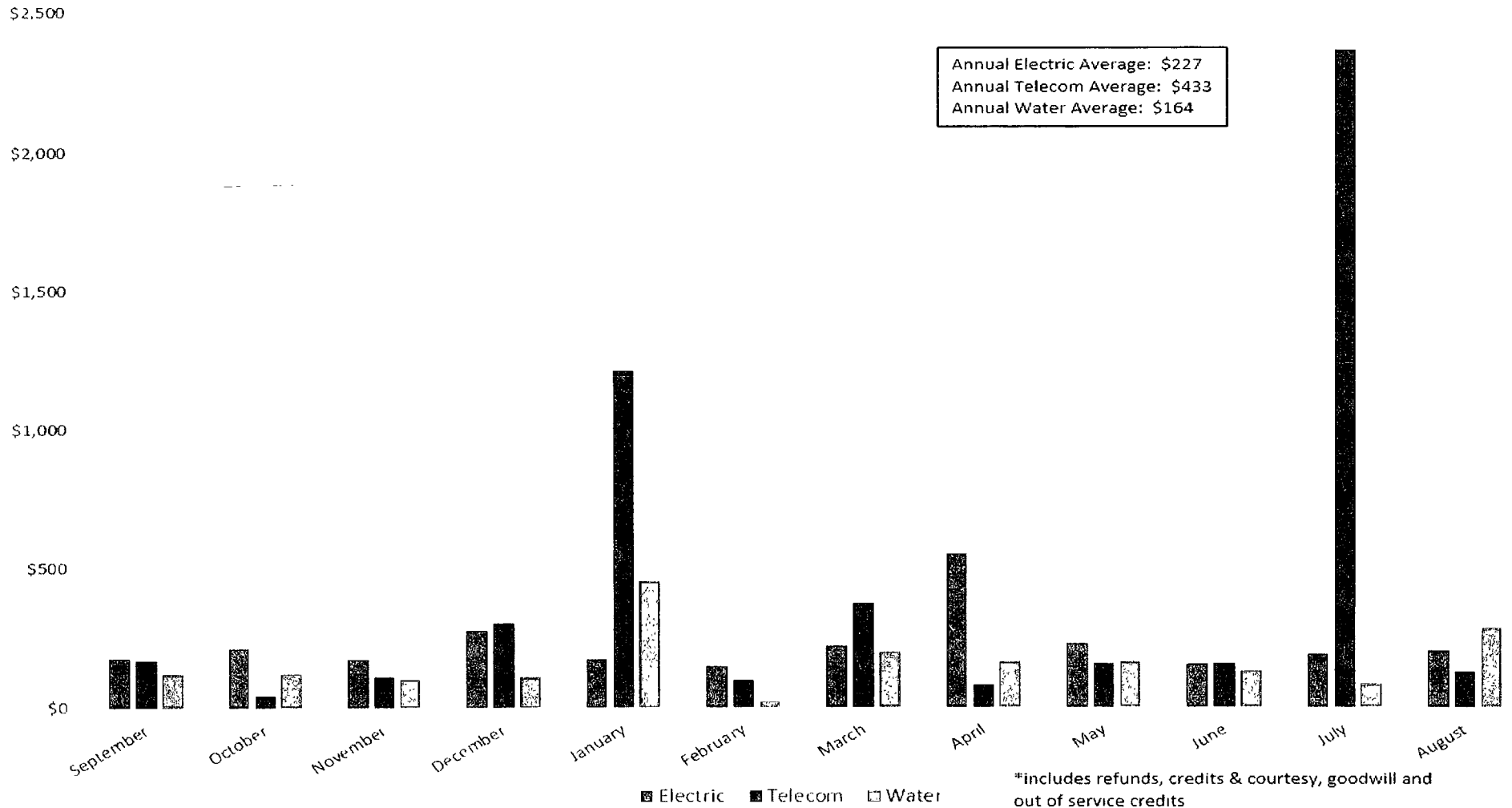
## CUSTOMER PROTECTION DIVISION

### % of Complaints Resulting in Customer Refunds\* - FY 2018



# CUSTOMER PROTECTION DIVISION

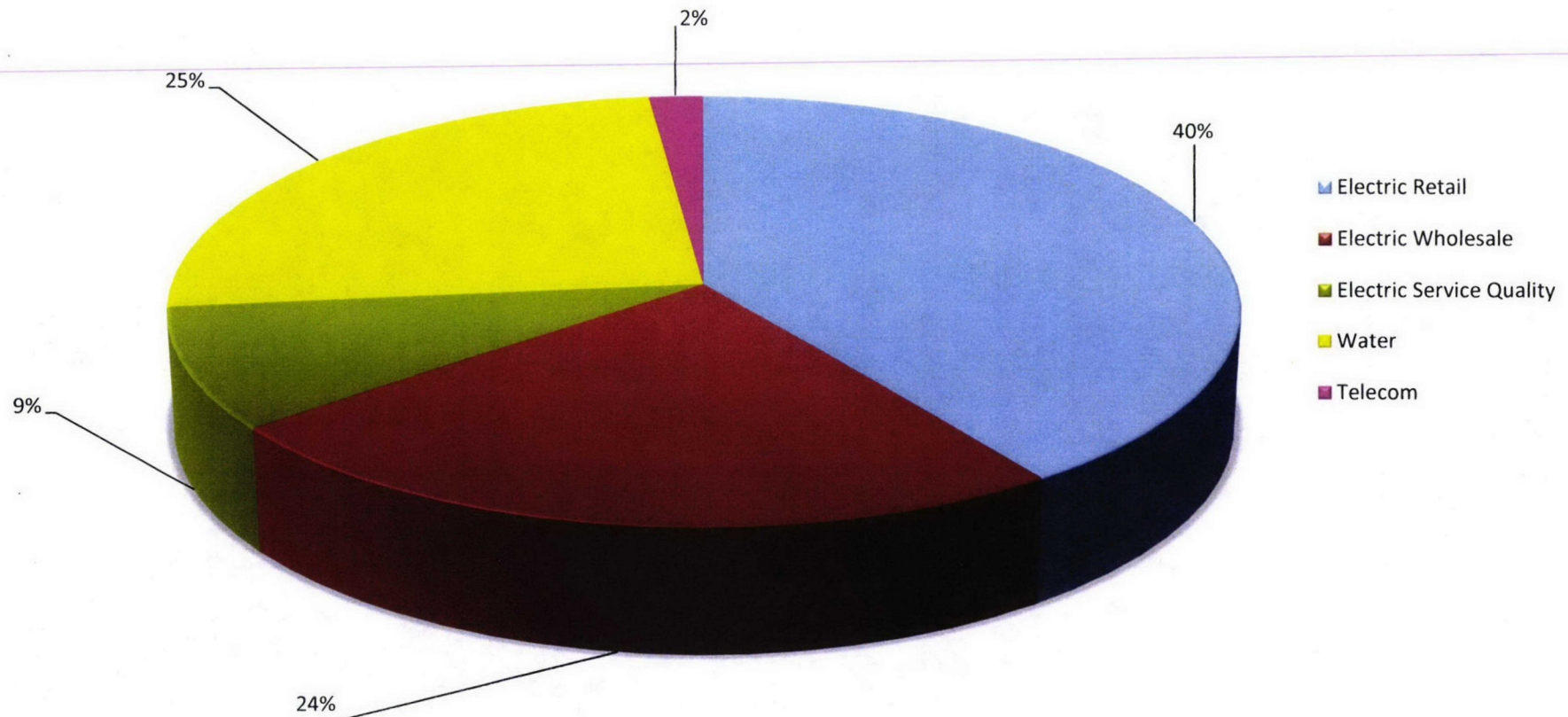
## Average Refund\* - FY 2018





## OVERSIGHT & ENFORCEMENT ACTIVITY

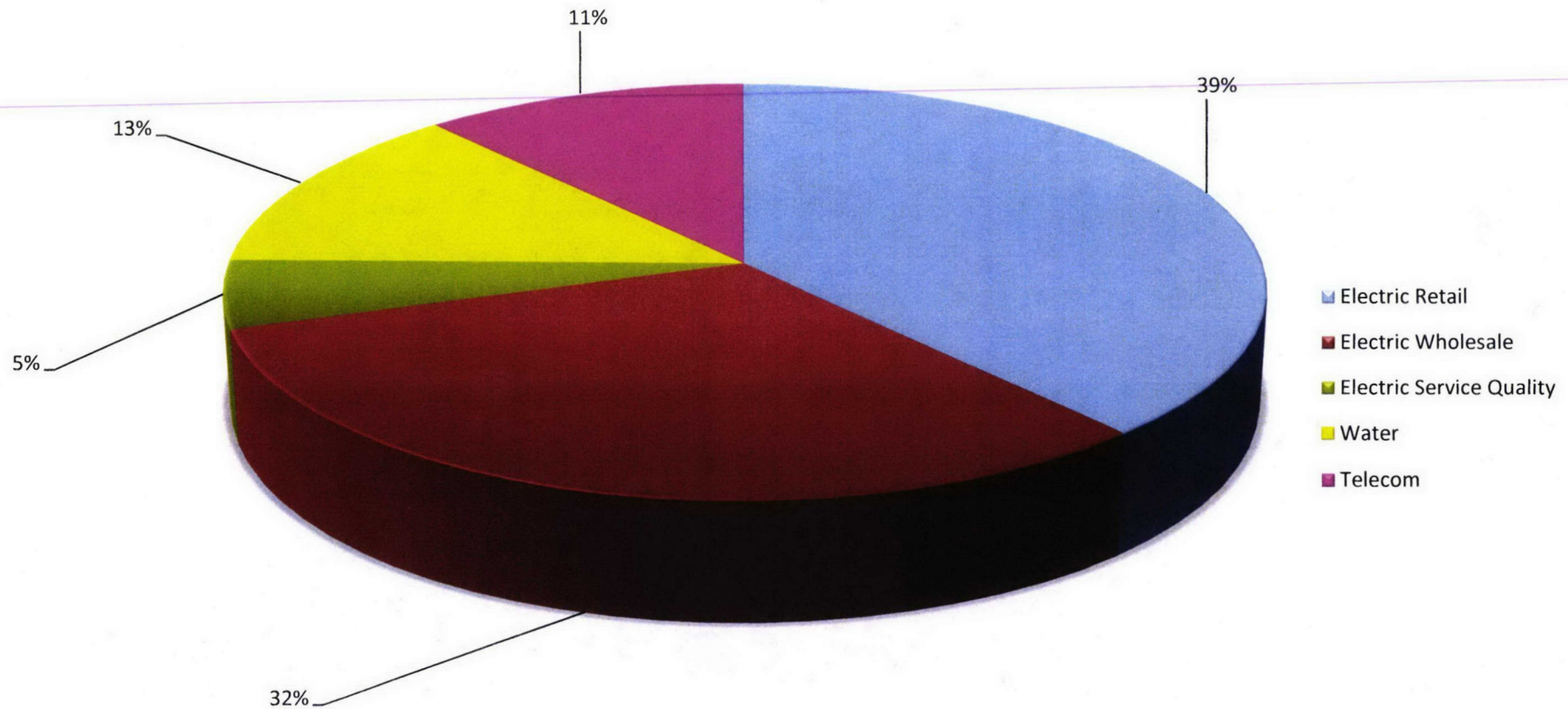
### Total Investigations Opened Within Fiscal Year 2018



Total Investigations Opened: 109

## OVERSIGHT & ENFORCEMENT ACTIVITY

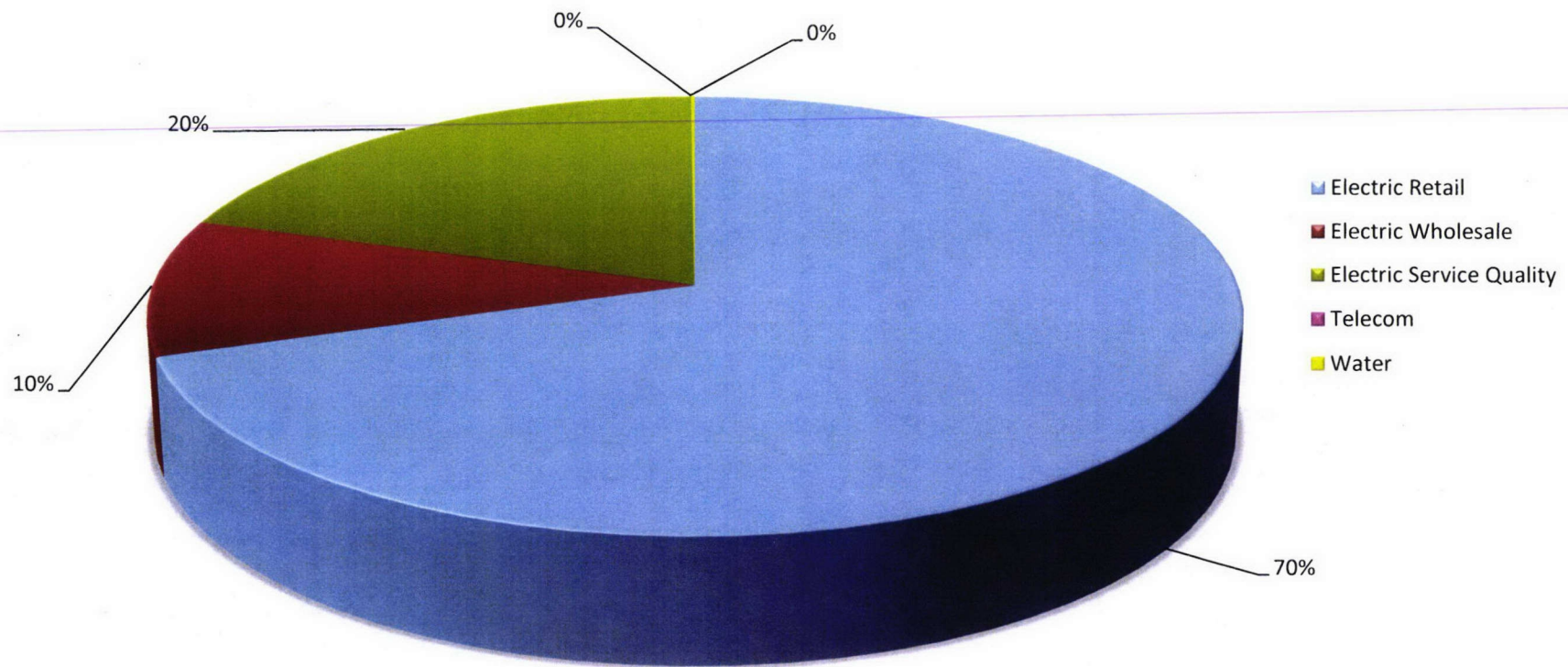
### Total Investigations Closed Within Fiscal Year 2018



Total Investigations Closed: 114

## OVERSIGHT & ENFORCEMENT ACTIVITY

### **Docketed Cases that Resulted in Administrative Penalties: Percentage of Total Penalties Assessed by Violation Type Fiscal Year 2018**

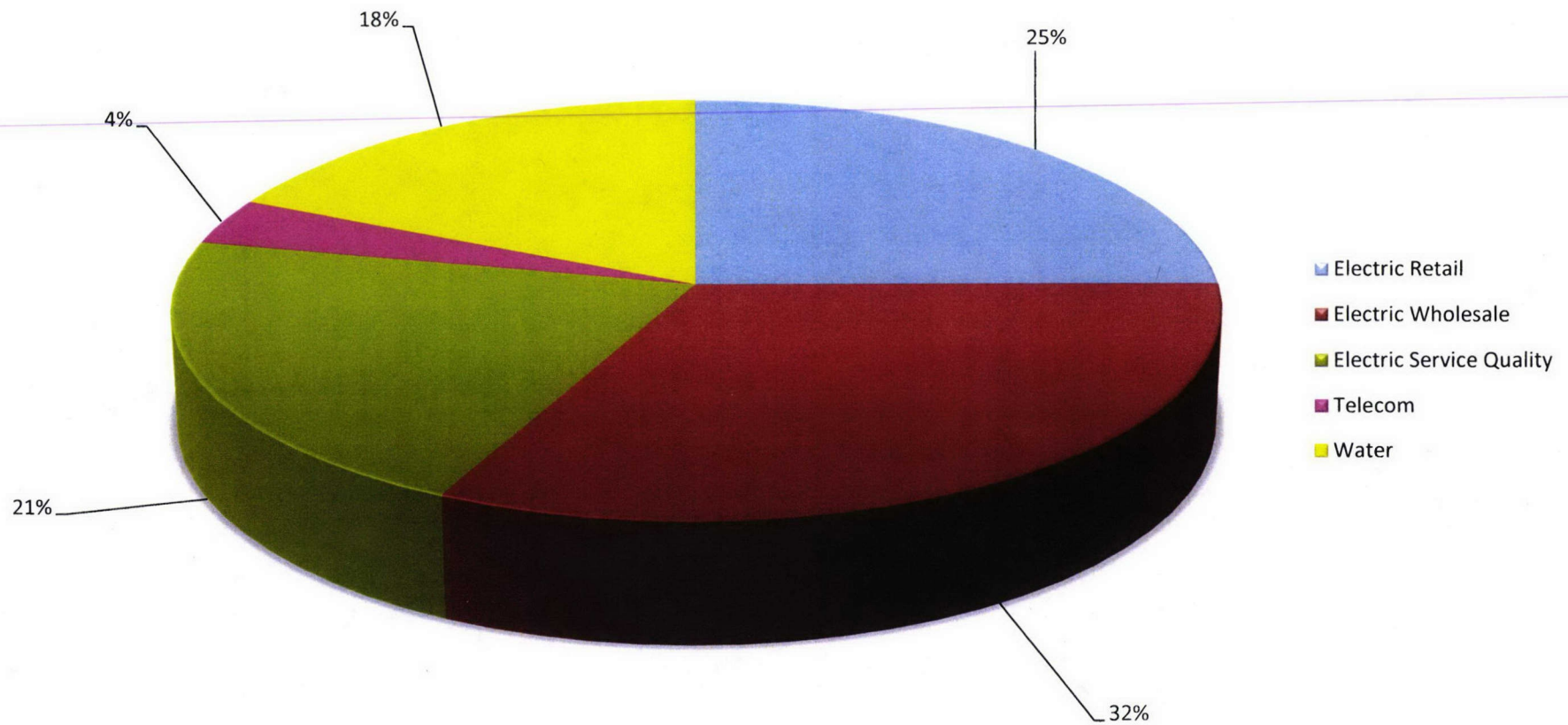


**Total Penalties: \$2,825,400.00**



## OVERSIGHT & ENFORCEMENT ACTIVITY

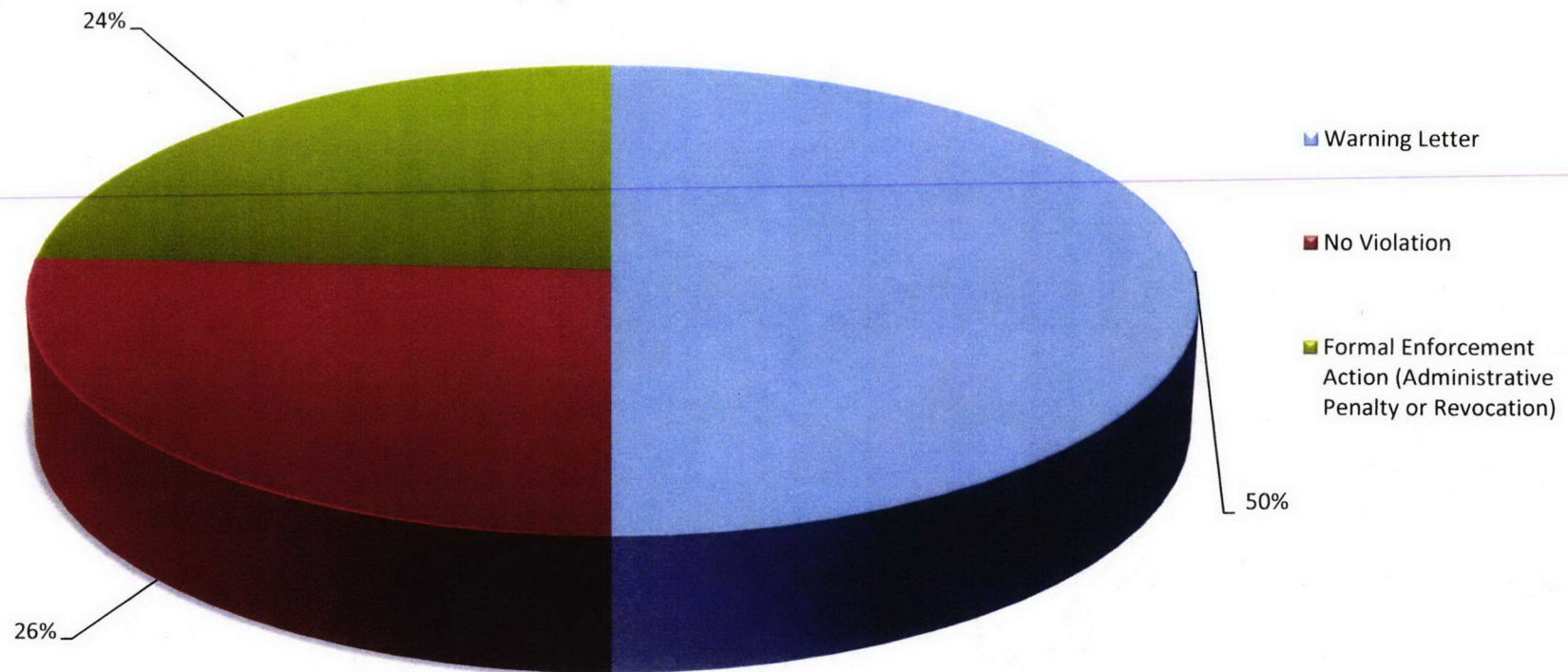
### **Closed Docketed Cases by Violation Type Fiscal Year 2018**



**Total Docketed Cases: 28**

## OVERSIGHT & ENFORCEMENT ACTIVITY

### **Closed Investigation Results in Fiscal Year 2018**



# OVERSIGHT & ENFORCEMENT ACTIVITY

## PUC ENFORCEMENT ACTIVITY REPORT FOR CLOSED DOCKETED CASES: FISCAL YEAR 2018

<u>Company</u>	<u>Violation</u>	<u>Docket</u>	<u>Final Order Date</u>	<u>Penalty P/R</u>	<u>Violation Type</u>	<u>Settlement/Contested Case</u>	<u>Certificate Revoked</u>
Aeon Communications	TAC Rules	48278	06/01/2018	\$0.00	Telecom	Revocation	Yes
Aero Valley	TWC/Licensing	47797	01/25/2018	\$0.00	Water	Temporary Manager	No
AEP - TNC	Reliability of Service	47782	01/11/2018	\$72,000.00 {P}	Svc. Quality	Agreed Settlement	No
AEP Central	ERCOT Protocols	47519	09/29/2017	\$20,000.00 {P}	Wholesale	Agreed Settlement	No
AEP -TCC	Reliability of Service	47781	01/11/2018	\$85,000.00 {P}	Svc. Quality	Agreed Settlement	No
AP Gas & Electric	Customer Protection Rules	47815	01/11/2018	\$75,000.00 {P}	Retail	Agreed Settlement	No
Calpine	ERCOT Protocols	48279	06/14/2018	\$22,500.00 {P}	Wholesale	Agreed Settlement	No
CenterPoint	Reliability of Service	47471	09/29/2017	\$23,000.00 {P}	Svc. Quality	Agreed Settlement	No
City of Hondo	ERCOT Protocols	47629	12/18/2017	\$5,000.00 {P}	Wholesale	Agreed Settlement	No
Current Utilities	Customer Protection Rules	45621	10/20/2017	\$15,000.00 {P}	Retail	Notice of Violation	No
EDF	ERCOT Protocols	47526	09/29/2017	\$190,000.00 {P}	Wholesale	Agreed Settlement	No
Engie Retail	Customer Protection Rules	47656	10/26/2017	\$40,000.00 {P}	Retail	Agreed Settlement	No
ENTERGY	Reliability of Service	47707	11/17/2017	\$20,800.00 {P}	Svc. Quality	Agreed Settlement	No
Exelon	ERCOT Protocols	47819	01/11/2018	\$10,000.00 {P}	Wholesale	Agreed Settlement	No
Hunt Club	TWC Rules/ Licensing	48038	03/29/2018	\$35,642.27 {R}	Water	Agreed Settlement	No
Keechi Wind	ERCOT Protocols	48456	08/30/2018	\$10,000.00 {P}	Wholesale	Agreed Settlement	No
Life Energy	Customer Protection Rules	48499	08/30/2018	\$40,000.00 {P}	Retail	Agreed Settlement	No
Mansfield Power & Gas	Customer Protection Rules	48243	05/25/2018	\$5,000.00 {P}	Retail	Agreed Settlement	No
Mozart Wind	ERCOT Protocols	48393	08/30/2018	\$10,000.00 {P}	Wholesale	Agreed Settlement	No
Oncor	Reliability of Service	47783	01/11/2018	\$329,000.00 {P}	Svc. Quality	Agreed Settlement	No
Peach Creek Dam & Lake Club	TWC/Licensing	47796	01/25/2018	\$0.00	Water	Temporary Manager	No
SPS (Xcel)	Reliability of Service	47657	11/17/2017	\$30,000.00 {P}	Svc. Quality	Agreed Settlement	No

## OVERSIGHT & ENFORCEMENT ACTIVITY

<u>Company</u>	<u>Violation</u>	<u>Docket</u>	<u>Final Order Date</u>	<u>Penalty</u>	<u>Violation Type</u>	<u>Settlement/Contested Case</u>	<u>Certificate Revoked</u>
Texpo Power	ERCOT Protocols	47733	12/14/2017	\$12,550.00 {P}	Wholesale	Agreed Settlement	No
Trinity Pecan Villa MHP	TWC Rules/Licensing	47842	01/11/2018	\$3,000.00 {P}	Water	Agreed Settlement	No
TruSmart	Customer Protection Rules	46093	03/29/2018	\$1,750,000.00 {P}	Retail	Notice of Violation	No
W. Oaks Phoenix	TWC/Licensing	47214	06/29/2017	\$0.00	Water	Temporary Manager	No
Whirlwind Energy	ERCOT Protocols	48487	08/30/2018	\$5,000.00 {P}	Wholesale	Agreed Settlement	No
Wolverine Alternative Investments	Customer Protection Rules	47798	01/11/2018	\$52,600.00 {P} \$72,400.00 {R}	Retail	Agreed Settlement	No
		<b>TOTAL</b>	<b>28 Closed Docketed Cases</b>	<b>\$108,042.27 {R} \$2,825,400 {P}</b>			